TRANSPORTATION PARTNERSHIPS FUND

FINANCIAL STATEMENTS

For the Year Ended March 31, 2000

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Transportation Partnerships Fund as at March 31, 2000 and the statements of revenue, expenditure and net assets and cash flows for the year then ended. The Fund's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Transportation Partnerships Fund as at March 31, 2000 and the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting principles.

Regina, Saskatchewan
January 8, 2001

Fred Wendel, CMA, CA
Acting Provincial Auditor

TRANSPORTATION PARTNERSHIPS FUND
STATEMENT OF FINANCIAL POSITION
As at March 31

	2000	1999
ASSETS		
Current Assets:		
Due from General Revenue Fund (Note 3)	$ 1,702,178	$ 818,042
Accounts Receivable	526,219	315,339
	$ 2,228,397	$ 1,133,381
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	$ 9,202	$ 100,907
Net Assets (Statement 2)	2,219,195	1,032,474
	$ 2,228,397	$ 1,133,381

(See accompanying notes to financial statements)

Statement 2

TRANSPORTATION PARTNERSHIPS FUND
STATEMENT OF REVENUE, EXPENDITURE AND NET ASSETS
For The Year Ending March 31

	2000	1999
Revenue		
Transportation Partnerships Agreement Revenues	$ 1,265,299	$ 1,016,836
Sale of Technology	12,000	-
Interest Revenue (Note 3)	61,994	57,177
Total Revenue	1,339,293	1,074,013
Expenditure		
Highway Improvement Projects	64,372	823,703
R & D Costs	3,973	-
Technology Manufacturing Costs	9,202	-
Administrative Expenses (Note 4)	75,025	100,000
Bad Debt Expense	-	34,443
Total Expenditure	152,572	958,146
Surplus for the year	1,186,721	115,867
Net Assets, beginning of year	1,032,474	916,607
Net Assets, end of year (Statement 1)	$ 2,219,195	$ 1,032,474

(See accompanying notes to financial statements)

Statement 3

TRANSPORTATION PARTNERSHIPS FUND
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2000	1999
Cash flows from operating activities:		
Cash Receipts From Transportation Companies	$ 1,088,026	$ 1,117,270
Interest Received	40,388	57,177
Cash Paid For Highway Improvement Projects	(64,372)	(1,310,807)
Cash Paid For R & D Initiatives	(3,973)	-
Cash Paid to R.M. Shareables	(908)	-
Cash Paid For Administration	(175,025)	(64,400)
Net (decrease)increase in cash	884,136	(200,760)
Due From General Revenue Fund, beginning of year	818,042	1,018,802
Due From General Revenue Fund, end of year	$ 1,702,178	$ 818,042

(See accompanying notes to financial statements)

TRANSPORTATION PARTNERSHIPS FUND
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2000

1. Authority and Definition of Entity

The Transportation Partnerships Fund was established effective July 1, 1997 pursuant to Section 8 of *The Highways and Transportation Act, 1997*. The purpose of the Fund is to generate revenues to be used for highway improvement projects. The Transportation Partnerships Fund generates revenues subject to the terms of trucking partnership agreements, in which the transportation companies pay the Fund a portion of cost savings achieved from being permitted to haul overweight and/or over dimension loads. Additional revenues are raised through the marketing of transportation related technology and expertise.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with generally accepted accounting principles. The following accounting principles are considered significant.

a) Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting.

b) Cash and cash equivalents consist of amounts on deposit with the General Revenue Fund.

3. Due from General Revenue Fund

The monies of the Transportation Partnerships Fund are deposited in the General Revenue Fund. Under this arrangement, earned interest is calculated and paid by the General Revenue Fund on the net position of the Transportation Partnerships Fund on a quarterly basis using the Government's thirty day borrowing rate and the Transportation Partnerships Fund's average daily bank account balance. The effective interest rate in the year was 5.08% (1999 – 5.04%).

4. Related Party Transactions

All Government of Saskatchewan agencies such as departments, corporations, boards and commissions are related as they are controlled by the Government. These financial statements include transactions with other Government agencies. These transactions are in the normal course of operations and are recorded at agreed upon exchange amounts.

During the year, the Fund was charged $75,025 (1999 - $100,000) for salary and administrative services by the Department of Highways and Transportation General Revenue Fund.

Accounts payable consist of $9,202 (1999 - $0) due to the Highways Revolving Fund.

Transportation Partnerships Agreement Revenues include $122,678 (1999 - $129,964), from SaskPower, a related party, pursuant to a transportation partnership agreement between the Fund and SaskPower. At year-end SaskPower owed the Fund $32,852 (1999 - $30,000).

The Fund earned interest income of $61,994 (1999 - $57,177) on monies deposited in the General Revenue Fund. At year-end, the Fund had monies deposited in the General Revenue Fund totaling $1,702,178 (1999 - $818,042).

5. Comparison of Planned and Actual Results

	Budget	Actual	Variance
REVENUE			
Transportation Partnership Agreements	$ 930,000	$1,265,299	$ 335,299
Other Revenue	10,000	12,000	2,000
Interest Revenue	30,000	61,994	31,994
	970,000	1,339,293	369,293
EXPENDITURES			
Road Expenditure—64,372(64,372)			
Other Transportation Initiatives	112,000	13,175	98,825
Administrative Expenses	131,500	75,025	56,475
	243,500	152,572	90,928
SURPLUS (DEFICIT) FOR THE YEAR	$ 726,500	$1,186,721	$ 460,221